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# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

September 8, 2015

CERTIFIED RETURN RECEIPT  
7013 3020 0002 3659 5941

Gary Applegate  
High Country Rock Company LLC  
557 Elk Meadow  
Tooele, Utah 84074

Subject: Review of Reclamation Surety, High Country Rock Company LLC, High Country Rock Mine, S/051/0011, Wasatch County, Utah

Dear Mr. Applegate:

The last reclamation cost estimate for the High Country Rock mine was done in 2007 and escalated to 2010 dollars. The surety amount is outdated and needs to be adjusted to account for changes in reclamation costs. Your current bond amount is \$7,000 for five acres of disturbance as shown below. You may reclaim the site or submit additional bond.



Figure1. Google earth image of the perimeter of High Country Rock mine.



The following table shows total bond amount required for the High Country Rock mine.

<b>Small Mine Operation Bond Calculation Worksheet S/051/0011</b>			
<b>3-year escalation (2018)</b>			
<b>Item</b>	<b>Qty</b>	<b>Unit Cost</b>	<b>Total Cost</b>
1st Acre Disturbance	1	\$8,000.00	\$8,000.00
Add'l Acres Disturbance	4	\$5,000.00	\$20,000.00
Mob/demob 51-100 miles	0	\$1,500.00	\$0.00
Mob/demob 101-150 miles	0	\$2,900.00	\$0.00
Mob/demob 151-200 miles	0	\$4,400.00	\$0.00
<b>TOTAL</b>			<b>\$28,000.00</b>
<b>5-year escalation (2020)</b>			
<b>Item</b>	<b>Qty</b>	<b>Unit Cost</b>	<b>Total Cost</b>
1st Acre Disturbance	1	\$8,200.00	\$8,200.00
Add'l Acres Disturbance	4	\$5,100.00	\$20,400.00
Mob/demob 51-100 miles	0	\$1,500.00	\$0.00
Mob/demob 101-150 miles	0	\$3,000.00	\$0.00
Mob/demob 151-200 miles	0	\$4,500.00	\$0.00
<b>TOTAL</b>			<b>\$28,600.00</b>

Please contact the bond coordinator, Penny Berry, at 801-538-5291 or by e mail at [pennyberry@utah.gov](mailto:pennyberry@utah.gov) for information about submitting the additional bond. Your current bond is \$7,000 in the form of a cash deposit with Zions Bank.

As an alternative to increasing the surety amount, you may reclaim the site by removing the existing small trash pile, regrading the roadways, scarifying and seeding the disturbed area. The Division would need to continue to hold adequate surety for the reclaimed area while vegetation is becoming established. **Please provide the additional surety or perform the reclamation no later than November 2, 2015.**

Two additional items need to be addressed:

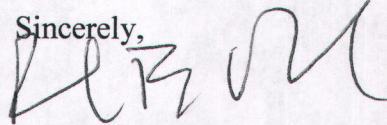
1. The bond is in a cash account at Zions Bank which needs to receive a W9 form. It is available on the Internal Revenue Service web site at [irs.gov](http://irs.gov). Without this form on file, Zions will not be able to release the cash in the account after the site is reclaimed.
2. The Division has not received permit fees since 2009. The total amount due is \$750.00 for five years (fees were not due in 2011). **Enforcement action will result if the fees are not paid by September 30, 2015.**



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Thank you for your help in keeping the surety current. Please contact the permit lead for this mine, Leslie Heppler, at 801-538-5257 or me at 801-538-5261 if you have questions concerning these requirements.

Sincerely,

A handwritten signature in black ink, appearing to be 'P. B. Baker', written over the word 'Sincerely,'.

Paul B. Baker  
Mining Program Manager

PBB:lah:mbt:pb  
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